

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on January 29, 1999 at 8:00 A.M., in Room 437 Capitol.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Kim Gillan, Vice Chairman (D)
Rep. Bob Story, Vice Chairman (R)
Rep. Gary Beck (D)
Rep. Rick Dale (R)
Rep. Bob Davies (R)
Rep. Ron Erickson (D)
Rep. Daniel Fuchs (R)
Rep. Mary Anne Guggenheim (D)
Rep. Marian Hanson (R)
Rep. Hal Harper (D)
Rep. Dan Harrington (D)
Rep. John L. Holden (R)
Rep. Verdell Jackson (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Trudi Schmidt (D)
Rep. Roger Somerville (R)

Members Excused: None.

Members Absent: None.

Staff Present: Donna Grace, Committee Secretary
Jeff Martin, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted:

HB 343, 1/25/1999

HB 365, 1/26/1999

Executive Action:

HB 152 - Do Pass as Amended

HB 168 - Do Pass

HEARING ON HB 343

Opening Statement by Sponsor:

Rep. Billie Krenzler, House District 17.

{Tape : 1; Side : A; Approx. Time Counter : 2}

Proponents' Testimony:

None.

Opponents' Testimony:

Ronda Carpenter, Montana Housing Providers

{Tape : 1; Side : A; Approx. Time Counter : 5.1}

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 6.8}

Closing by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 24.8}

HEARING ON HB 365

Opening Statement by Sponsor:

Rep. John Cobb, House District 50

{Tape : 1; Side : A; Approx. Time Counter : 27.4}

Proponents' Testimony:

Kathy McGowan, American Heart, Lung and Cancer Society

{Tape : 1; Side : B; Approx. Time Counter : 1.2}

Dennis Alexander, Executive Director, American Lung Association

{Tape : 1; Side : B; Approx. Time Counter : 1.7}

Opponents' Testimony:

Mark Staples, Montana Wholesalers Association **EXHIBIT**(tah23a01)

{Tape : 1; Side : B; Approx. Time Counter : 3.2}

Brenda Brewer, Smoke Shop **EXHIBIT**(tah23a02)

{Tape : 1; Side : B; Approx. Time Counter : 8.3}

Mike Parker, President, Pennington, Inc., Great Falls

{Tape : 1; Side : B; Approx. Time Counter : 10.5}

Thalia Reisbeck, Cigarette Store Corp.

{Tape : 1; Side : B; Approx. Time Counter : 12.6}

Mike Allen, Allen's Inc.

{Tape : 1; Side : B; Approx. Time Counter : 14}

Bob Gilbert, Montana Petroleum Operators Association

{Tape : 1; Side : B; Approx. Time Counter : 17.4}

Jerome Anderson, Brown-Williams Tobacco Companies

{Tape : 1; Side : B; Approx. Time Counter : 19.7}

Steve Wade, Phillip Morris

{Tape : 1; Side : B; Approx. Time Counter : 21.4}

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 23.6}

Closing by Sponsor:

{Tape : 2; Side : A; Approx. Time Counter : 5.1}

EXECUTIVE ACTION ON HB 152 (CONTINUED)

Motion:

Rep. Holden MOVED the amendments to HB 152. **EXHIBIT**(tah23a03)
{Tape : 2; Side : A; Approx. Time Counter : 13.9}

Discussion:

{Tape : 2; Side : A; Approx. Time Counter : 16.6}

Vote:

The **MOTION PASSED, 16 - 4.** Schmidt, Holden, Rose, Guggenheim, Jackson, Harrington, Dale, Somerville, Erickson, Beck, Fuchs, Harper, Hanson, Raney, Gillan, and Hibbard voting yes; Story, Orr, Rehbein and Davies voting no.

{Tape : 2; Side : B; Approx. Time Counter : 6.9}

Motion/Vote:

Rep. Rehbein MOVED a conceptual amendment that would change 5% to 10% and reflect the change in the title. On a voice vote, the **MOTION PASSED, 15 - 5.** Somerville, Story, Rehbein, Davis and Orr voting no.

{Tape : 2; Side : B; Approx. Time Counter : 7.5}

Motion:

Rep. Harper MOVED HB 152 DO PASS AS AMENDED.

{Tape : 2; Side : B; Approx. Time Counter : 12.9}

Discussion:

{Tape : 2; Side : B; Approx. Time Counter : 13.8}

Vote:

The **MOTION PASSED, 16 - 4.** Schmidt, Holden, Rose, Guggenheim, Jackson, Harrington, Dale, Somerville, Erickson, Beck, Fuchs, Harper, Hanson, Raney, Gilland and Hibbard voting yes; Story, Orr, Rehbein and Davies voting no.

{Tape : 2; Side : B; Approx. Time Counter : 16.5}

EXECUTIVE ACTION ON HB 168

Motion/Vote:

Rep. Story MOVED HB 168 DO PASS. On a voice vote, the **MOTION PASSED, 14 - 6.** Schmidt, Holden, Harrington, Beck, Harper and Orr voting no.

{Tape : 2; Side : B; Approx. Time Counter : 18.9}

* * * * *

Speaker Mercer addressed the Taxation Committee, suggesting what he thought the Committee should consider. He encouraged the Committee to work together. Issues addressed were vehicle tax, business equipment tax, income tax, local option tax and a consumption tax.

{Tape : 3; Side : A; Approx. Time Counter : 0.1}

Questions for the Speaker:

{Tape : 3; Side : A; Approx. Time Counter : 16.5}

Appointment of Sub-Committees:

Five sub-committees were appointed by Chairman Hibbard: Business/Livestock; Home Owner Tax Relief; Income Tax; Motor Vehicle Tax; and, Consumption/Local Option Tax.

{Tape : 3; Side : B; Approx. Time Counter : 2.9}

Adjourn.

{Tape : 3; Side : B; Approx. Time Counter : 8.8}

ADJOURNMENT

Adjournment: 11:00 A.M.

REP. CHASE HIBBARD, Chairman

DONNA GRACE, Secretary

CH/DG

EXHIBIT (tah23aad)